MAY 9, 1966

HIGHLIGHTS OF GERMAN AGRICULTURE AND TRADE

WHAT THE GERMANS EAT

SECRETARY FREEMAN TALKS TO PAN AMERICAN GROUP

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

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Including FOREIGN CROPS AND MARKETS

MAY 9, 1966

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Hours of hand labor are saved by this automatic sugarbeet puller which cuts off leaves, later to be used for fodder, and stacks beets for transport to factory. This picture and one on opposite page were supplied by the German Information Center.

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Orville L. Freeman, Secretary of Agriculture

Dorothy H. Jacobson, Assistant Secretary for International Affairs

Raymond A. Ioanes, Administrator, Foreign Agricultural Service

Editor: Alice Fray Nelson Associate Editors: Ruth A. Oviatt, Kay O. Patterson, Janet F. Beal

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Foreign Agriculture *introduces in this issue*
a series of country profiles starting with—

Highlights of the Agriculture and Trade of West Germany

To meet the needs of exporters, this series will examine briefly the resources of each country covered, its agriculture, food situation, and foreign trade including trade with the United States.

About 40 countries of importance to U.S. trade will be included in the series. These countries were chosen because they are major markets, potential markets, major competitors, or recipients of aid under U.S. Public Law 480.

The series is being prepared by the Foreign Regional Analysis Division of the Economic Research Service, USDA. The countries of Europe, which will be reported on first, have been researched by country analysts of the Europe and Soviet Union Branch.

Resources.—West Germany (including West Berlin) covers an area of 95,928 square miles, slightly larger than the combined area of Pennsylvania and New York, and had a population of 59.0 million in December 1965 of which about 46 percent or more than 27 million were in the labor force. In 1965, Gross National Product (GNP) was about $112 billion or about $1,775 per capita.

Agriculture.—The index of net food production for 1965-66 is estimated at 4-5 points below the 148 realized in 1964-65 (1935/36-1937/38=100), which in turn was 2 points below the high of 150 reached in 1963-64. The Gross Agricultural Product (GAP) of West Germany was $5.1 billion in 1964 or about 5 percent of GNP. Agriculture employs about 11 percent of the total labor force. Livestock products contribute about three-fourths of the value of agricultural production; milk alone earns over 35 percent of total cash receipts. More than 60 percent of the arable land is devoted to grain, and about 70 percent of the total agricultural area is utilized for livestock feed production.

Food Situation.—Caloric intake averages about 2,950 per capita per day and has varied little over the last decade. About one-third of the food consumed in West Germany is derived directly or indirectly from imported agricultural products. The changes in composition and general upgrading of the diet that have been evident since World War II in all industrial economies pertain to West Germany as well. The demand for livestock products, particularly meat, has been very strong. At the same time, consumption of staple food products, such as cereal products and potatoes, has declined.

Foreign Trade.—West Germany had a very favorable trade balance in 1964. Total imports of $14.6 billion were more than offset by exports of $16.2 billion. Imports of agricultural products, at $4.2 billion, were 28 percent of total imports while exports of agricultural products were valued at $372 million, a scant 2.3 percent of total exports. Major agricultural imports are fruits and vegetables; meat and meat preparations; oilseeds, nuts and kernels; cotton; tobacco; and corn. Exports of importance include animal and vegetable oils and fats, hides and skins, and wool.

Agricultural Trade With the U.S.—The U.S. supplied $577 million or about 14 percent of the agricultural products imported by West Germany in 1964 but took only $26 million or 7 percent of West German agricultural exports. Oilseeds, unmanufactured tobacco, corn, and cotton are important West German imports from the U.S.

Factors Affecting Agricultural Trade With the U.S.—Many of West Germany's agricultural imports are subject to variable levies as defined by the European Economic Community's Common Agricultural Policy market regulations. These include grains, poultry and eggs, pork, dairy products, and rice. Fixed duties are applied to fruit and vegetables, vegetable oils, tobacco, beef, and tallow. Commodities free of import duties include oilseeds, oilcake and meal, cotton, wool, and hides and skins. Items still subject to quantitative import restrictions include alfalfa meal, refined edible vegetable oils, canned cherries and pears, canned vegetables, fresh apples and pears, and certain grass seeds.

Other nontariff trade restrictions include the Meat Inspection Law which prohibits importation of fresh meat cuts, animal disease regulations which prohibit the import of feeder cattle from certain areas (including the U.S.), and stringent provisions of the Food Law which often make access difficult if not impossible for many processed foods.

Sugarbeets get first spring spraying, West Germany.

No sausage shortage in this Bad Godesburg shop.

Traditional Foods Still Favored in Germany

—though housewives are starting to use more processed products

By ALEXANDER BERNITZ
Assistant U.S. Agricultural Attaché
Bonn, West Germany

"Guten Appetit," or good appetite, has long been the German toast prior to starting on what the Germans consider the serious business of eating. Today, though, a change is taking place. The Germans still love to eat, but the dinner table filled with plates of potatoes and sauerkraut supplemented with loaves of dark bread is not as common as it was 20 years ago. Less and less of the traditional starchy foods are being eaten and more and more of what are often called "quality foods."

There are several reasons for this change. The postwar economic boom in Germany not only raised the standard of living and provided more per capita expendible income but also enabled the Germans to travel outside their country where they ate and enjoyed foods of other peoples.

Also, the number of working housewives has increased. Today almost 35 percent of the married women work, and although they usually continue to cook all the family meals, they have less time to spend in the kitchen.

General trend changing

In 1964-65, consumption per person averaged 159 pounds of flour, 260 pounds of potatoes, 66 pounds of sugar, 107 pounds of vegetables, 188 pounds of fresh fruit including citrus, 146 pounds of meat including poultry, 259 pounds of milk, 30 pounds of eggs, 19 pounds of butter, and 22 pounds of margarine—plus many more pounds of other foods.

Comparing these figures with those of earlier years, it becomes obvious that food consumption in West Germany is following the same trends as in any affluent society; i.e., flour and potato consumption decreasing; fruit and vegetable consumption on the increase; meat consumption rising but with a shift from pork to beef; and consumption of eggs, fish, and poultry also going up.

Against these normal trends are some variants that apply only to Germany. One would expect butter consumption to have decreased as good-quality but cheaper-priced margarine became available. The opposite occurred. Until last year, per capita butter consumption rose, while margarine consumption headed the other way. Why? Simply because the Germans, after many years of having to do without butter, decided they could now afford it, and since it was readily available they would eat all they wanted. Also butter previously was eaten only by the rich; thus it is a prestige symbol.

Flour is another variant. Although consumption is decreasing, and wheat flour is replacing rye, the Germans still eat a lot of bread. In Germany today there are over 200 different types of bread and over 1,200 kinds of rolls and other bread products—not to mention the almost countless varieties of cakes and pastries.

Eating habits still traditional

Although the statistics show that certain foods are increasing and others decreasing in the German diet, actually the food tastes of the Germans have not changed appreciably over the years. Between 60 to 80 percent of the German people still eat a hot meal at noon, and some 25 percent make it two hot meals a day. Wine and beer are the standard drinks but soft drinks are now being served in restaurants. Water and milk are rarely served.

The real German gourmet specialty is sausage, and about half of all the meat consumed in Germany is in some form of sausage, of which there are many varieties. Popular in Frankfurt is the Frankfurter, similar to the American

hotdog. From Nuremberg comes a pork sausage called the Bratwurst; from Braunschweig the world-famous Knackwurst and from Munich a white sausage known as Weisswurst. And these are just a few of the sausage delicacies.

With all types of restaurants and cafeterias available, from the exclusive to the wurst snackbar, eating out is a common affair—though it is still unusual for the entire family to eat in a restaurant. When Germans eat out, what do they order?

A recent survey listed six suggestions and asked consumers to vote for their favorite. Top vote-getter was pig's knuckles and sauerkraut. Second choice was sauerbraten (a beef steeped in vinegar and roasted) and dumplings. The last four meals, receiving almost tie votes, were: chicken, french fries, and salad; pork sausage, or pickled pork chops, and sauerkraut; pork roast, sauerkraut, and dumpling; and steak, french fries, and salad.

At home, the Germans eat these same combinations. For their evening meal, they prefer "Aufschnitt," a plate of assorted cold cuts and cheese served with potato salad, and rye or black bread with butter.

More processed foods used

Though these traditional foods prevail, German housewives today are using more ready-to-cook foods in preparing their meals—canned, dried, and frozen. But while more frozen foods are appearing in food stores, limited freezer space in most refrigerators handicaps expansion in the frozen food line.

What is the future? The recent trends for the major food groups are expected to continue; i.e., less cereals and potatoes, more meats, dairy products, fruits and vegetables, and no change for fats. Otherwise, German food preferences are not expected to undergo any rapid changes. Cultural and financial considerations preclude any drastic shift to "convenience foods." The average four-person working family now spends almost 32 percent of total expenditure for food. Furthermore, the average German's belief that only "natural" foods are really healthy prevents wide acceptance of processed foods. In time, though, the necessities of modern urban life associated with an industrialized society may serve to lessen this resistance.

Opportunity for raw products

What does this mean to the U.S. farmer and exporter? Among the processed food items, canned fruits and fruit juices should continue to be strong export items. Certain other specialty items may also, from time to time, reach some level of significance. In view of the German food preferences (and the German food laws), it appears to be advantageous for the U.S. agricultural industry to promote and export agricultural raw materials.

Right top, still popular are the open-air produce markets but as picture below shows, many Germans have the supermarket habit. Above, milk-drinking is not common but these women seem to enjoy a glass of recombined milk sold at the U.S. exhibit at Cologne's international fair.

Agricultural Geography: Western Hemisphere Territories

Off the southeast coast[1] *of the United States, mostly in the Caribbean, lie a group of island territorities dependent on or associated with the United States, the United Kingdom, France, and the Netherlands. Recently, USDA's Economic Research Service issued a report by Agnes Sanderson on these islands and on other dependent countries in the Western Hemisphere entitled* Notes on the Agricultural Economies of Dependent Territories in the Western Hemisphere and Puerto Rico (*ERS Foreign 145*). *From this the following brief descriptions of their agriculture and trade have been summarized.*

From Little Cayman with a scant 100 inhabitants to Puerto Rico with a population of 2½ million, agriculture predominates in most of the dependent countries of the Western Hemisphere. Today, however, increased manufacturing, mining, and the tourist industry are reducing the relative importance of agriculture in the local economies and, in turn, are fostering growing markets for Temperate Zone agricultural products—particularly from the United States.

These scattered dependencies cover an area of 197,685 square miles and have a population of 5.3 million. Agriculture uses about 36 percent of the labor force. Generally, farm practices are primitive, and mechanization, except for a small number of tractors, is almost nonexistent. Research is mainly on export crops.

Sugar is the principal crop, followed by bananas. Citrus is grown in most areas for local consumption and in a few territories for export. Important subsistence crops include coconuts for processing into oil and margarine; cassava, sweet potatoes, and other root crops; and fruit. Spices, cocoa, coffee, rice, and cotton are produced in some territories; but except for extensive sheep raising in the Falkland Islands, livestock production in the territories is on a limited scale.

Agricultural commodities account for well over a third of the territories' total exports, if petroleum products from Surinam are excluded.

The United States usually takes about 60 percent of their farm shipments. In value these amount to over $400 million a year, more than half coming from the U.S. Virgin Islands and Puerto Rico. U.S. shipments of agricultural products to the territories are close to 70 percent of their total farm imports.

The economies of the Caribbean territories were generally progressing in the late 1950's, but suffered a setback when The West Indies, a federation of most of the British dependencies, was dissolved, reducing the amount of external assistance. Then in 1963 an economic upsurge started through more extensive development planning, more sugar markets, higher U.S. sugar quotas—and, of course, the area's fast-growing tourist business.

Antigua: A British territory in the Leeward Islands, Antigua has an area of 171 square miles and a population of over 56,000. More than 25 percent of the land is in crops, with sugarcane occupying almost two-thirds of that under cultivation. Cotton is the second-ranking crop.

Sugar and molasses make up most of the island's agricultural exports—plus a small amount of cotton—and almost all of these go to the United Kingdom. Antigua buys certain U.S. foodstuffs—beef and poultry meat, dried milk, wheat flour, animal feed, canned fruits and vegetables.

The Bahamas: The prosperity of these British islands—nearly 700 in number plus 2,000 cays, islets, and reefs—is based on tourism. Roughly half of the population, estimated at over 130,000, live on the island of New Providence, site of the capital, Nassau.

Although agriculture is of minor importance, there are a few large scientifically managed farms producing for market and for export—chiefly cucumbers and tomatoes, some strawberries, and other vegetables. The United States receives over 90 percent of Bahama's exports, including reexports, and supplies well over half of its agricultural needs—mainly fresh meat, rice, poultry feed, and dairy products.

Barbados: This densely populated island, also a British territory, has had a one-crop economy—sugar—for over 300 years. This commodity and its byproducts account for most of the island's agricultural trade—which is largely with the United Kingdom and other Commonwealth countries. However, the United States supplies some of Barbados' food needs, and imports from it molasses, hides and skins, and rum.

The steady growth of small manufacturing industries and of tourism has been pushing the island's standard of living upward in recent years.

Bermuda: Compared with the tourist industry which accounts for about 70 percent of Bermuda's total economy, agriculture and trade are quite insignificant. About 80 percent of the island's foodstuffs and almost all of its clothing and manufactured goods are imported. The U.S. share of the agricultural market is slightly under 50 percent; cut flowers are an important agricultural item shipped to the United States. Bermuda is a British colony.

British Guiana: The total area of British Guiana is 83,000 square miles, but less than 1 percent of this is cultivated—mainly along the narrow coastal strip. Agriculture provides a living for half the working population and also about two-thirds of the territory's exports.

Sugar and rice are the main crops—sugar and molasses accounting for nearly 70 percent of agricultural exports and rice for more than a quarter. Principal food imports are flour, milk, fruits and vegetables, salted meat, fats, and oils—and nearly a third of these come from the United States. Bauxite is the third largest export.

British Honduras: Citrus culture, sugar production, and lumbering are the chief economic activities of this 9,000-square-mile territory. In the past, little sustained effort has been made to develop agricultural potential, but recently expansion has occurred in sugar and citrus, and investment has been made to produce bananas for export.

Imports are nearly double exports so that the territory has a chronic trade imbalance. The United Kingdom is the leading market for its farm exports, but the United

[1] Exceptions to this are the Falkland Islands in the South Atlantic; St. Pierre and Miquelon in the North Atlantic; Surinam and British and French Guiana on the South American mainland; and British Honduras in Central America.

States supplies about 45 percent of the agricultural commodities that it imports—usually margarine and shortening, wheat flour, poultry meat, pulses, and dairy products.

British Virgin Islands: Part of the Leeward Islands, this colony totals 59 square miles and is spread out on 36 islands, only 11 of which are inhabited. Bananas, coconuts, limes, and sugarcane are the main crops. Livestock is the principal export. Most farm exports go to the U.S. Virgin Islands, and about a third of the imports come from there, half of them agricultural.

Cayman Islands: The three islands that make up this British dependency comprise about 100 square miles, but the shortage of cultivable land limits agriculture. The economy depends heavily on remittances from Caymanian seaman, fishing for turtles and sharks, rope-making, and tourism. The foodstuffs imported come chiefly from the United States and Jamaica.

Dominica: A British island in the Windward Islands, Dominica has an area of 305 square miles but is scantly populated and mountainous. The processing of lime juice is its only industry. Bananas are the leading export, followed by lime juice and citrus, most of which go to the United Kingdom, and copra and coconut oils, which go to Barbados. There is some small two-way trade with the United States—mainly lime products and cocoa beans in return for animal feed and certain foodstuffs.

Falkland Islands and **Dependencies:** Except for the natural pastures that support sheep, cattle, and horses, agriculture is practically nonexistent in these Antarctic-like islands which are dependent on Britain. Exports are wool, hides and skins, and whale oil and meal; except for meat, most foodstuffs are imported. In recent years both the import and export trade has been falling off.

French Guiana: A Department of France on the north coast of South America, French Guiana has a very limited agriculture, growing crops for local consumption only. Rum is the one export that derives from agriculture, the others being lumber, rosewood essence, and gold. France and the French Antilles are major markets for the country's exports and the suppliers of supplementary foodstuffs.

Grenada: This British territory in the Windward Islands, in area 133 square miles, bases its economy on three crops —cocoa, nutmegs, and bananas. While imports still roughly double exports, this unfavorable trade balance is offset by income from tourism and grants-in-aid from the United Kingdom.

Cocoa and spices make up about 70 percent of the island's exports, and bananas more than 25 percent. The

United Kingdom is the largest market and the principal supplier, but the United States takes sizable amounts of Grenada's cocoa, nutmeg, and mace, and ships in such foodstuffs as fresh poultry, dried and salted beef, flour, fruits, vegetables, and animal feed.

Guadeloupe: In 1947, this island, along with Martinique and French Guiana, became a Department of France, on the same footing as those of continental France. French public spending has raised living standards and caused a steady growth in the economy—which is largely agricultural based on sugarcane and bananas. These occupy over half the cropland and bring in most of the export earnings.

Practically all of Guadaloupe's trade is with France and the Franc Zone; this has now been extended to other members of the European Economic Community.

Martinique: Agriculture accounts for nearly all of this French island's exports, and here too sugar and bananas are the principal export crops. Secondary crops are pineapples and cocoa. Most of the trade is with France and other EEC countries, but the United States takes sugar from Martinique and supplies some products, a few of them agricultural.

Montserrat: A 33-square-mile island in the Leewards, this British dependency grows mainly cotton, bananas, and tomatoes, and ships the first two to the United Kingdom. The tomato industry, which is expanding, supplies neighboring islands. Imports from the United States are minimal, consisting of a few foodstuffs and some animal feed.

Netherlands Antilles: Agriculture is insignificant in this group of six somewhat semiarid islands located off the coast of Venezuela; the economy is based on industry—especially oil refining. Most of the people live in Curaçao and Aruba, and these two islands buy nearly all of their imported foodstuffs from the United States, and sell it almost a third of their petroleum exports. Foodstuffs bought usually include wheat flour, rice, poultry meat, dairy products, meats, fruits, and vegetables.

The Netherlands Antilles and Surinam have equal status with the Kingdom of the Netherlands as "Members of the Realm."

Puerto Rico: In the last few years Puerto Rico's income from tourism has practically doubled and now runs somewhere around $100 million a year. At the same time, the island is making rapid industrial progress, with the result that its economy continues to trend upward.

Agriculture, however, remains important, providing a living for about a fourth of the labor force. Also, around a third of the island's 3,423 square miles is in cropland and 33 percent in permanent meadows and pasturelands. Sugarcane, the principal crop occupies some 42 percent of the cropland. Tobacco, coffee, citrus, citron, cotton, and coconuts are other main crops. Pineapple is the chief fruit export crop and is growing in importance as a moneymaker.

As a Commonwealth within the U.S. customs union, Puerto Rico levies no duties on goods from the United States, and its tariffs on foreign goods are the same as U.S. tariffs. Over 95 percent of its farm exports go to the United States, which, in turn, supplies over 90 percent of its imports. The principal food items imported are fresh and frozen meat, meat preparations, lard, powdered milk, rice, vegetables, and tobacco (also exported).

St. Kitts-Nevis-Anguilla: These three Leeward islands, forming a single British dependency, total only 153 square miles, and it is the agriculture of St. Kitts, the largest, that is the basis of the economy. Sugarcane occupies 80 percent of the cropland of St. Kitts; Sea Island cotton is the main crop on Nevis and a secondary one on St. Kitts.

Sugar and molasses, with a small amount of cotton, are the principal exports, and these go to the United Kingdom and Canada. The United States supplies a small percentage of the colony's foodstuffs.

St. Lucia: Also a British dependency, St. Lucia is a 238-square-mile island in the Windwards. Some 80 percent of its cultivated land is given over to three crops: bananas, cocoa, and coconuts—bananas being by far the largest in export value. The United Kingdom and Canada are the island's leading trading partners. Of the U.S. shipments to the colony, three-quarters consist of industrial and manufactured goods, and the rest food products.

St. Pierre and Miquelon: There is practically no agriculture on these two granite islands located off the Grand Banks of Newfoundland. Fishing and fish processing and furs are the main industries. The islands are dependent on imports for nearly all of their foodstuffs and other necessities. Much of their trade is with France, of which they are an overseas territory, but the United States receives about a quarter of their exports, mainly fishmeal.

St. Vincent: In area only 150 square miles, this British Windward Island is supported by three main crops: bananas, arrowroot, and coconuts. It must depend on imports for all its flour, fats and oils, and a large part of its dairy products, fish, salted meat, cereals, and vegetables.

The United Kingdom is the island's principal trading partner, but the United States takes the bulk of its arrowroot and some cocoa beans and supplies it with about 12 percent of its farm imports, usually wheat flour, fresh poultry, salted meat, dry milk, and animal feed.

Surinam: On the mainland of South America, Surinam, also called Netherlands Guiana, totals over 55,000 square miles and has a relatively large population that is expanding at a rate of 4 percent a year. Less than 1 percent of the land is cultivated, most of the remainder being forest and swampland, and some abandoned plantations.

The country is self-sufficient in many foodstuffs but imports wheat flour, salted and canned meats, dairy products, animal feed, canned fruits and vegetables, tobacco, and vegetable fats and oils. The United States is the principal supplier and also the principal market. Bauxite is the main export. Rice is the most important crop and leading farm export; other exports are coffee, citrus, sugar, and cocoa.

Turks and Caicos Islands: Lying to the southeast of the Bahamas, these small British islands, of which Grand Turk and Salt Cay are the largest, have very little agriculture. Sisal is the main crop and the only agricultural export. Salt, produced by solar radiation of seawater, is exported to the United States. The trade deficit is partly offset by grants-in-aid from the United Kingdom.

U.S. Virgin Islands: In the past the Virgin Islands were mainly agricultural; today small businesses, industries, and tourism are boosting their economy.

There are 40 islands and cays but the three largest are St. Thomas, St. Croix, and St. John, which have a total area of 132 square miles. The only commercial crop, sugarcane, is grown and processed on St. Croix.

Most foodstuffs and other necessities are imported, and the demand is increasing as the tourist influx grows. The United States and Puerto Rico are the principal suppliers, since the islands constitute a U.S. dependency.

Secretary Freeman Urges Latin America To Speed Up Agricultural Improvement

The greatest single challenge the world faces today is whether the swelling ranks of mankind can produce enough food to sustain life without hunger.

Latin Americans have a key role to play in this effort, for while you lead the world in population growth you also have a vast, untapped food resources potential which is the envy of much of the world.

With this potential you could lead the world in agricultural progress.

What is the present situation in Latin America? The answer is dramatically clear! The situation in Latin America grows daily more serious!

600 million people in 2000 A.D.

You have the fastest rate of population growth in the world. Some 15 years ago, in 1950, the populations of North America and South America were about equal at 170 million. The United Nations currently projects a population for North America at about 300 million by the year 2000. The same projection for South America shows the population on this continent reaching almost 600 million! In just 34 years, if the U.N. projections materialize, there will be more than 340 million new mouths to feed on this continent.

Against this rapid population growth, what has been happening to agricultural production in Latin America in recent years? Agricultural production has gone up, but the increase has been wiped out by the new bodies calling for food. In spite of some improvement in some countries, food supplies per capita in Latin America remain near the 1959-61 level—when 14 countries of the hemisphere were deficient in caloric intake. Current per capita production is lower than in prewar years when Latin America was a major food exporter for the world.

The people and governments represented here have taken some steps to accelerate agricultural development.

You have opened up new lands to cultivation and settled thousands of poor farmers on them;

You have developed institutions for agricultural research and extension and agricultural credits;

You have trained thousands in your vocational agricultural schools and you have sent others abroad for further study. We in the USDA have been training almost a thousand of your agriculturalists every year.

In a few countries, fertilizer production is growing. Price incentives have been formulated to encourage farmers to produce more in a limited number of Latin American countries.

But these steps, commendable as far as they go, are not enough.

The people and countries you represent here have the resources to make a dramatic and decisive change from the past. It can be done.

The USDA recently completed a study of agriculture in 26 developing countries, including six in Latin America. Of the 26, 10 had annual rates of increase in crop output in excess of 4 percent during the years 1948 to 1962-63. Three countries in Latin America achieved this sustained high rate of agricultural growth: Mexico, Venezuela, and Brazil. While the increase in each Latin American country was attributed largely to more acreage sown to crops, there were increases in yield per acre as well—particularly in Mexico.

National will to act

The report cites that the greatest single factor associated with high and sustained growth rates in agricultural production is a national will to take the necessary actions.

I cite those which I believe merit highest priority:

- Strengthen and upgrade the institutions that provide agricultural services.

These institutions include the Ministries of Agriculture as the central coordinating agencies. Included, too, are the agencies concerned with conservation, the research and experiment stations, extension and vocational agricultural schools, and the agricultural credit and cooperative organizations.

These institutions need to be grouped together and given much more prestige, recognition, and resources than hitherto has been the case. More resources must be budgeted for the operation of these institutions. Personnel who have the necessary technical and administrative skills to operate them effectively must be selected, trained, and retained.

Marketing facilities and systems must be substantially improved to hold down costs and to reduce waste in the movement of foods from farms to consumers. Current practices in most Latin American countries, in fact in most countries around the world, are often shockingly wasteful and inefficient.

- Improve public policies that affect agricultural production.

Public policies need to be formulated and carried out which will provide incentives to agricultural producers. Such policies must provide reasonable and stable income to the farmer. Prices must encourage the use of fertilizers and other inputs to achieve higher yields. Otherwise, the farmer has no incentive to apply modern farming techniques. Incentive is equally as important as education, if not more so.

Needed, too, are tax policies to stimulate a fuller and more intensive use of land resources rather than export levies which inhibit increased production.

Policies are needed, too, which will encourage more public and private investment in agriculture and its related industries. This again dictates a return to agricultural investors that encourages, rather than discourages, more production.

- Integrate rural populations into national market economies.

Steps need to be taken to increase the incomes of small farmers and farm workers in most Latin American countries. Higher productivity on the farms, combined with incentive prices, will accomplish this. But in Latin America, as in the United States, opportunities for employment in rural areas for those who are unemployed and underemployed in farming activities are needed.

Even in our developed industrial society in the United States, we have learned that the cities cannot productively employ unskilled millions who migrate from the rural regions because life there offers little opportunity. This migration is today a great unsolved problem in the United States.

Rural populations must have opportunities for education and for health

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Excerpts from a speech by Secretary of Agriculture Orville L. Freeman before the Pan American Soil Conservation Congress, São Paulo, Brazil.

facilities which will increase their ability to work productively in a technological society. They also demand increasingly, and rightfully, comparable recreational, social, and cultural opportunities. As rural people gain the means to participate in the market economies of their countries, they will then be able to better sustain indigenous manufacturing, recreation, and service industries, all of which contribute to overall economic growth.

U.S. technical assistance

The U.S. Department of Agriculture, in cooperation with the Agency for International Development, has been providing technical and other assistance to agricultural development for a long time. Agricultural scientists and technicians have been engaged in this work since the Point IV Program was first enunciated by President Truman in 1948.

Recently we have taken steps to make this assistance more effective. We have established within the USDA the International Agricultural Development Service. During fiscal year 1965, in close cooperation with AID, we sent a total of 198 scientists and technicians to 26 countries—in Latin America, Africa, and Asia. In addition, coordinated training in the United States was provided for 4,879 trainees from 118 countries. During the past year we welcomed almost a thousand agriculturalists from the countries of Latin America who sought further technical training. These people came to the United States to learn from our experiment stations, land-grant universities, and family farm enterprises.

Broad program in Brazil

The USDA's biggest program now is right here in Brazil, where 20 technicians, working closely with AID, are assisting in work on price stabilization, cooperatives, marketing economics and facilities, market news, agricultural economics, credit, and agronomy.

In cooperation with AID, the Department of Agriculture is carrying on a number of other country programs in Latin America:

In Nicaragua, a range management specialist is now introducing new varieties of improved grasses and legumes that will stand up better under the drought conditions that prevail.

In El Salvador, USDA specialists and technicians are working on agricultural planning, land tenure, credit, farm management, artificial insemination, irrigation, drainage, bean diseases, livestock diseases, as well as auditing systems for agricultural credit agencies.

In Ecuador, a USDA team has been helping in agricultural marketing, economics, and the organization of agricultural credit.

With the Food for Freedom program we will continue and strengthen our programs of assistance. At the same time, we will continue the safeguards that have protected the channels of commercial trade from impairment by concessional food sales and distribution. The so-called rule of additionality to prevent disruption of commercial trade, as developed under our Food for Peace program, will continue under the Food for Freedom program.

The key feature of the Food for Freedom Act is "self-help," for the plan is designed to stimulate, encourage and assist the developing countries to increase their own agricultural production. There is no other answer!

Under this program, the United States will provide increasing technical and capital assistance to help those countries which demonstrate a determination to undertake effective programs to increase their own ability to provide food for their people, and will offer food aid as needed to countries determined to help themselves.

Latin America, as the world leader in population growth, must become a world leader in the rate of agricultural progress, if the war on hunger is to be won. Latin America has the resources to do this—not only to satisfy its own needs but to share constructively in the worldwide effort to avert hunger and want.

I propose here and now that we take a realistic inventory of what we must do—that we give a new meaning to our Alliance. Let it signify our resolve to work together to assure for ourselves and our children—not only in this hemisphere—but in other parts of the world, a new age of freedom—freedom from hunger and want.

First Title IV Agreement With Brazil Signed

Secretary of Agriculture Orville L. Freeman, in a ceremony in Rio de Janeiro, has signed the first Title IV, Public Law 480 agreement with Brazil, providing for long-term dollar credit sale of wheat or wheat flour valued at $63,724,000, including up to 50 percent of ocean transportation costs.

At the ceremony, Secretary Freeman noted that this Food for Peace transaction under the Alliance for Progress represents a new milestone in U.S. trade relations with Brazil. "This sale for dollars clearly indicates," he said, "an improvement in Brazil's ability to finance imports of essential food requirements. It marks a notable step by Brazil toward stronger commercial trade relations with the United States."

During the past 10 years Brazil has been a major purchaser of U.S. farm products under provisions of Title I of Public Law 480. These purchases, made with Brazilian cruzeiros, included wheat, $483 million; fats and oils, $12.7 million; dairy products, $2.6 million; feed grains, $1.4 million, as well as other U.S. agricultural products. Title I sales to Brazil have amounted to over one-half billion dollars at export market value.

The Title IV agreement signed today by Secretary Freeman provides that Brazil will buy approximately 36.7 million bushels of wheat and make payment in dollars over a 20-year period. The Brazilian Government will sell the wheat to its citizens for approximately $63 million in cruzeiros. These funds will be used to finance agricultural credit, highway construction, and other Alliance for Progress projects in Brazil as mutually agreed upon by the U.S. and Brazilian Governments.

Export shipments of U.S. agricultural commodities under the long-term credit provisions of Title IV have begun to earn dollars in many other countries abroad which, along with Brazil, formerly paid the United States in local currencies. Since signing of the first Title IV agreement with El Salvador in 1961, more than $600 million worth of U.S. farm products have been programed for sale to 27 nations under the program.

Secretary Freeman signed the agreement with Brazil during a week-long visit to Latin America. He also studied technical assistance projects and food aid programs in Brazil.

Exports of California Fruits and Vegetables By Air to Europe at '65 Level; Asparagus Up

By A. M. McDOWELL
Fruit and Vegetable Market News
C&MS, San Francisco

Despite the late start of the 1966 season, air shipments of California fresh strawberries—leader among U.S. fresh fruit and vegetable airborne exports—to European markets have maintained the same pace as in 1965 while asparagus shipments have almost doubled last year's relatively minor exports. Undoubtedly a major factor in the increase for asparagus was the reduced air freight rates which went into effect January 1 for all U.S. fruits and vegetables except strawberries.

Through May 2 about 502,000 pounds net or product weight of strawberries were flown to Europe.

As usual, most of the volume has gone to three major cities. These are Frankfurt, Stockholm, and London. Almost 65 percent went to Frankfurt, where most of the berries are used by bakeries rather than by the fresh market trade as in most cities. Nearly 20 percent of the shipments have gone to Stockholm and about 12 percent to London. Other cities to which shipments have been made are Paris, Helsinki, Geneva, Zurich, Göteborg, and Milan.

Shipments of strawberries to Europe from California start almost as soon as the first berries ripen in southern California producing areas and continue into early May. About that time. harvest begins in more nearby areas in north Africa and southern Europe. When the European season is over in late August, air shipments are resumed from central California and continue until the end of the long California season about the middle or latter part of November.

Shipping of California strawberries by air has been going on since at least the early 1950's. Until about 1962, however, the volume was small and was confined very largely to domestic markets at the beginning and end of each season. In 1962, volume began picking up markedly. The following year the Federal-State Market News Service kept a record of daily volume based on reports by shippers. Air shipments in 1963 were about 5 percent of the combined interstate shipments by truck, rail, and air.

With the start of the 1964 strawberry season, the Market News Service began obtaining reports directly from the airlines. The carriers reported the commodity, billing weights, and destinations. In that year the airlines' share of the interstate shipments rose to 13 percent. Movement to Europe began to be a factor, as about 175,000 pounds net or product weight went to Europe. About half went to Frankfurt, a third to London, and nearly 20 percent to Stockholm.

By 1965 the airlines handled 26 percent of the out-of-State shipments of California strawberries. Movement to Europe more than quadrupled to 726,000 pounds product weight. Almost 75 percent went to Frankfurt.

Asparagus ranks next to strawberries in the volume of fresh fruits and vegetables to Europe by air. Distribution is confined almost entirely to Great Britain since markets on the Continent prefer white asparagus to the green type produced and shipped in the United States.

A factor in this year's shipments was the late start to the season, since U.S. exports hold up only until asparagus from southern France and Italy in late April begin to come onto the U.K. and continental markets.

In 1965 a total of 47,000 pounds net or product weight of California asparagus was flown to Europe, almost entirely to London. Through May 2 this year, with the season almost over, the volume has nearly doubled to just under 88,000 pounds product weight. Again, most of this went to London.

Air movement of other California fruits and vegetables to Europe so far has been light. Less than 70,000 pounds net or product weight went from California last year. There were small quantities of peaches, raspberries, figs, lettuce, and miscellaneous vegetables. Up to late April 1966 only small quantities of a few miscellaneous items have been shipped.

Air shipment rates from California to Europe range from about 23¢ to 34¢ per pound, depending upon the commodity, destination, and routing. The time from take-off at either San Francisco or Los Angeles to arrival at destination is less than 24 hours in most cases.

The total billing weight of all fresh fruits and vegetables flown from California to Europe in 1965 was just under 950,000 pounds. Net weight was about 840,000 pounds. Based on movement up to late April, the 1966 total will probably be heavier.

U.K.'s Top Wheat Buyer Studies Wheat Trade Here

In the United States recently to study wheat production and trade was Patrick Metaxa (r.), chief wheat buyer for Britain's Ranks, Ltd. With him is FAS Associate Administrator Clarence R. Eskildsen. Ranks, which financed the trip, buys one-third of the United Kingdom's wheat imports.

1966 Barter Contracts Set 3-Quarter Record

Barter contracts signed in the first 3 quarters of fiscal 1966 procuring goods and services abroad for U.S. Government agencies and strategic materials for the stockpile totaled $208.2 million. This compares with $92.7 million negotiated during the same period in fiscal 1965, and sets a 9-month record for the barter program since it was revised in 1962.

Highlight of the barter activity in the first 3 quarters was the signing of eight contracts valued at $83.1 million which will use agricultural exports to provide the following: deliveries of South African uranium concentrates under an existing Atomic Energy Commission dollar contract, supplies and services for overseas installations of the Department of Defense, and the delivery of industrial diamonds from the Republic of the Congo to the supplemental stockpile.

Through March 31, 1966, 108 barter contracts were signed. Total contracts procuring goods and services for defense were valued at $108.6 million. Contracts for the Agency for International Development totaled $40.3 million, and for uranium concentrates for the Atomic Energy Commission, $24.7 million. Contracts procuring iodine and palladium against the national stockpile deficits totaled $6.9 million, and those procuring industrial diamonds as part of the uranium conversion project, $27.7 million.

Latest available figures show that largest commodities exported during the second quarter—in terms of dollar value—were wheat ($20.1 million), tobacco ($19.5 million), and cotton ($16.3 million). Countries which received most goods during this period were Japan ($10.7 million—tobacco in addition to cash sales), Brazil ($8.0 million), Colombia ($6.8 million), Peru ($3.3 million), and Israel ($3.2 million).

Preliminary figures for the third quarter show wheat, cotton, and tobacco were again largest commodities exported on a barter basis.

Agricultural commodities owned by the Commodity Credit Corporation and currently available for barter are cotton (Upland and long staple), tobacco (under loan), wheat, corn, and grain sorghums. In addition, private stocks of cottonseed and soybean oils are eligible for barter programing in connection with reimbursable offshore procurements for U.S. Government agencies. List is subject to change.

Japanese Try U.S. Pea Dishes at Osaka International Fair

Nearly a million Japanese consumers were attracted to this popular "sidewalk cafe" booth displaying U.S. dried peas and lentils at the Osaka Fair last month. Fair visitors were offered cups of hot pea soup—a new dish in Japan—prepared on the spot by a Japanese chef. Japan is the United States fastest growing market for dried peas and lentils, last year importing 17,000 tons.

Japanese Women's Magazines Promote U.S. Poultry Sales

Women's magazines have come in for major emphasis in the promotion of U.S. poultry in Japan since shortly before the 1966 New Year.

Sponsored by the International Trade Development Board—which handles promotion in Japan through the Institute of American Poultry Industries for the American poultry industry—magazine campaigns have focused on whole chicken and bone-in parts. ITDB's goal is to convince housewives who now buy mostly deboned chicken to use in Japanese foods that chicken is good western-style as a dish in itself.

Katie Gaho, one of the country's leading magazines, carried a 15-page article, with 12 pages of color illustrations, describing broilers and how to prepare and serve available parts. The magazine conducted a survey some time after the article appeared and found about half its readers had reacted favorably to the idea of cooking chicken on-the-bone.

The monthly *Shufuto Seikatso* and weekly *Shukan Josei*—reaching a combined audience of 1.2 million—carried ads for U.S. poultry as did *Shukan Asahi* and *Mainichi* magazines. Asked to select locales for cooking demonstrations, readers chose Tokyo and Osaka. The magazines sent advance mailings to 10,000 retailers, wholesalers, and restaurants, alerting them to the promotion plans.

German Wheat Team Here

A four-man team of West German wheat executives—from mills and bakeries which are steady users of U.S. wheat—next week will wind up a month-long tour of U.S. wheat producing and handling facilities.

The group saw grain elevators and other handling equipment in Minnesota and South Dakota and is currently touring wheat-growing areas of the Midwest. Last week the German executives participated in a regional meeting of Consumer and Marketing Service area supervisors and grain inspectors in Cedar Rapids, Iowa.

The team will see government and trade officials in Washington next week and grain exporters in New York before returning to Germany.

South Africa Lowers Corn, Sorghum Estimates

The Republic of South Africa has reduced its 1965-66 estimates for corn and grain sorghum (kaffircorn) crops, both of which have been adversely affected by continued drought since mid-February.

The second official estimate places 1965-66 corn production at 4.8 million metric tons (53.1 million bags). This is 4 percent below the first estimate of 5 million tons but 7 percent above the low, 4.5-million-ton crop of 1964-65.

Production of grain sorghum is now estimated at 431,000 tons (4.4 million bags), against a first estimate of 469,000 and a 1964-65 production of 470,000. Although drought caused some damage to the crop, the widespread use of drought-resistant, hybrid varieties of grain sorghum from the United States has kept production in both this season and last well above previous crops.

Domestic consumption of both corn and sorghums has increased sharply during the past year because of heavy feeding to livestock, and while South Africa is exporting some corn to Rhodesia, any exports overseas during the next 12 months are problematical.

On April 15, South Africa raised current-crop prices to producers as follows: yellow corn, 49 U.S. cents to $4.90 per bushel; white corn, 59½ cents to $5.00½ per bushel; and grain sorghum, 42 cents to $4.55 per bushel. Financing of the corn-price increases will be divided between the price to millers, the Maize Board Stabilization Fund, and a government subsidy. The sorghum price increases will be shared between increased processor prices and the Kaffircorn Stabilization Fund.

The higher prices will have a bolstering effect on the incomes of producers, whose crops have been below average over the last three seasons.

France Sells Wheat to USSR, Mainland China

Since April 15 France has sold 510,000 metric tons of wheat to the following buyers: the Soviet Union 400,000; Mainland China 100,000; and Poland 10,000. Other expected sales include approximately 125,000 tons to EEC countries and 150,000 tons to traditional markets.

These would bring 1965-66 total sales, excluding flour, to an estimated 3,875,000 tons, against 3,854,000 in 1964-65. On this basis, the French wheat carryover would be about 290,000 tons higher than a year earlier, against 400,000 tons higher as planned by the National Cereals Board (ONIC).

The above calculation assumes estimated farmer deliveries of 10.7 million tons. However, deliveries could reach 10.8 to 10.9 million tons, in which case June 30 commercial stocks, excluding mill stocks, would be at about the 1.2-million-ton level projected by ONIC.

U.K. Lard Imports Down Sharply in 1966

U.K. lard import data for the first 2 months of 1966 reflect several shifts in world lard trade during the last year. First is the sharp drop in U.S. exports, resulting from the drop in domestic production and from rising prices. Next is the shift in U.K. buying from the United States to Western Europe, where current production exceeds requirements and prices are more competitive.

For the first time in many years, the United States has yielded its position as No. 1 supplier of the U.K. market. The United States usually furnishes between 75 and 90 percent of total U.K. lard imports. In 1966 Belgium has become the major supplier, while practically all Western European exporting countries are gaining an increased share of the market. A large part of Belgian exports are transshipments originating in neighboring countries.

In addition, the U.K. market has contracted by about 20 percent thus far in 1966. Higher lard prices have encouraged increased substitution in manufacturing compound fats and margarine. Regaining these markets will depend largely upon a lower lard price in relation to marine oils and various vegetable oil substitutes.

U.K. IMPORTS OF LARD

Country of origin	January-February 1965 Quantity	1965 Share of total	January-February 1966 Quantity	1966 Share of total
	1,000 pounds	*Percent*	*1,000 pounds*	*Percent*
Belgium	7,021	10.0	13,557	24.2
United States	53,466	75.9	10,581	18.9
Italy	148	.2	6,406	11.4
France	2,943	4.2	5,726	10.2
Poland	—	—	5,128	9.2
Netherlands	1,391	2.0	4,216	7.5
Denmark	4,071	5.7	3,688	6.6
Germany, West	94	.1	1,718	3.1
Switzerland	110	.2	1,042	1.8
Canada	—	—	926	1.7
Others	1,212	1.7	3,026	5.4
Total	70,456	100.0	56,014	100.0

Henry A. Lane and Co., Ltd., London, England.

Ivory Coast's Pineapple Pack Increases

Pineapple production in the Ivory Coast has reportedly increased from 25,400 short tons in 1960 to 49,600 in 1964. Most is either canned or processed into juice.

Exports of pineapple products are mainly to France, with much of the remainder going to West Germany and other members of the European Economic Community. During the first 10 months of 1965, total pineapple exports increased 3,300 tons over the same period of 1964, with canned pineapple accounting for 67 percent of the increase.

PINEAPPLE EXPORTS FROM THE IVORY COAST

Type	January-October 1964	1965
	Short tons	*Short tons*
Fresh	2,900	3,200
Canned	10,600	12,800
Juice	7,100	7,900
Total	20,600	23,900

Yugoslavia Has Smaller Hops Crop

The estimate for Yugoslavia's 1965 hops crop has been revised down to 11.3 million pounds, 9 percent below the earlier estimate of 12.3 million. It is unofficially estimated

that 1.8 million pounds of 1964-crop hops were carried into the current season. This large carry-in is expected to allow for exports at least as heavy as the 10.9 million pounds shipped in 1964-65 and still leave a substantial carryout.

YUGOSLAVIA'S SUPPLY AND DISTRIBUTION OF HOPS

Item	1963-64	1964-65	1965-66
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
Supply:			
Beginning stocks (Oct. 1)	—	—	1,750
Production	10,406	13,470	11,288
Imports	231	—	[1]—
Total supply	10,637	13,470	13,038
Distribution:			
Exports	9,943	10,915	[1]11,200
Domestic disappearance	694	805	[1]938
Ending stocks (Sept. 30)	—	1,750	[1]900
Total distribution	10,637	13,470	13,038

[1]Forecast by FAS.

YUGOSLAVIA'S EXPORTS OF HOPS

Country of destination	Year beginning October 1		
	1962-63	1963-64	1964-65
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
United States	3,563	2,476	1,354
West Germany	2,077	1,893	3,364
Soviet Bloc	1,134	1,786	1,586
United Kingdom	817	891	1,140
Others	3,306	2,897	3,471
Total	10,897	9,943	10,915

Of the total 1964-65 hops exports, 31 percent went to West Germany, 15 percent to the Soviet Bloc, 12 percent to the United States, and 10 percent to England. The U.S. share has fallen sharply in the past 2 years from 25 percent in 1963-64 and 33 percent in 1962-63. However, gains in sales to the Soviet Bloc, West Germany, and the United Kingdom have made up for this loss.

Beer production in Yugoslavia jumped to 2.6 million barrels in 1965, 12 percent above the 1964 level.

Philippine Exports of Coconut Products

Registered exports of copra and coconut oil from the Philippine Republic in January-March 1966, oil-equivalent basis, totaled 207,278 long tons, 25 percent above the 166,467 tons registered in 1965. Exports of copra rose 33 percent and those of coconut oil, 10 percent.

Exports of desiccated coconut during the first quarter of 1966, at 14,064 short tons, rose 9 percent from exports in the comparable period last year. Movements to the United States decreased moderately and accounted for 78 percent of the total, compared with 79 percent in 1965.

U.S. Exports of Soybeans and Products

Soybean exports from the United States in March totaled 21.6 million bushels, compared with 25 million in March 1965. Cumulative exports in the September-March period were 26 percent above those in the corresponding period of 1964-65.

March exports of *edible oils*, at 108.9 million pounds, were up somewhat from the 99 million pounds exported in February but less than half those of March 1965. Cumulative exports in the first half of the 1965-66 marketing year beginning October 1, 1965, were more than one-third below those in the same period of 1964-65.

U.S. *cake and meal* exports in March, at 239,500 short tons, were 44,100 tons below February exports and substan-

U.S. EXPORTS OF SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS

Item and country of destination	Unit	March		Sept.-Mar.	
		1965[1]	1966[1]	1964-65[1]	1965-66[1]
SOYBEANS					
Japan	Mil. bu.	5.7	6.2	28.5	37.6
Netherlands	do.	4.7	3.6	19.9	24.1
Germany, W.	do.	2.8	2.7	15.2	21.9
Canada	do.	(*)	.1	16.8	15.3
Italy	do.	1.0	1.9	6.6	13.1
Other	do.	10.8	7.1	44.5	54.1
Total	do.	25.0	21.6	131.5	166.1
Oil equiv.	Mil. lb.	274.0	236.7	1,444.3	1,823.6
Meal equiv.	1,000 tons	586.5	506.6	3,091.1	3,903.0
		March		Oct.-Mar.	
		1965[1]	1966[1]	1964-65[1]	1965-66[1]
EDIBLE OILS					
Soybean:[3]					
Pakistan	Mil. lb.	17.9	—	92.6	100.0
Iran	do.	10.0	4.4	39.1	68.9
Yugoslavia	do.	—	—	1.1	40.2
Greece	do.	20.1	17.2	51.4	23.8
Burma	do.	—	9.2	—	18.2
Tunisia	do.	—	5.1	12.1	16.4
Israel	do.	14.4	.2	31.2	15.6
Other	do.	84.2	9.5	446.1	89.1
Total	do.	146.6	45.6	673.6	372.2
Foreign donations[4]	do.	5.9	25.6	[5]7.7	96.0
Total soybean	do.	152.5	71.2	681.3	468.2
Cottonseed:[3]					
Germany, W.	do.	11.1	10.3	104.1	49.9
Canada	do.	3.3	5.8	22.5	30.5
Egypt	do.	—	15.8	25.0	22.8
Pakistan	do.	3.3	—	8.2	21.7
Venezuela	do.	2.8	1.1	12.9	16.4
Mexico	do.	—	.3	(*)	15.4
Morocco	do.	4.4	—	15.4	15.1
Others	do.	25.3	4.4	116.7	40.4
Total	do.	50.2	37.7	304.8	212.2
Foreign donations[4]	do.	15.4	(*)	[5]61.3	.8
Total cottonseed	do.	65.6	37.7	366.1	213.0
Total oils	do.	218.1	108.9	1,047.1	681.2
CAKES AND MEALS					
Soybean:					
Germany, W.	1,000 tons	34.2	45.3	161.5	282.5
France	do.	58.8	47.9	189.0	256.3
Netherlands	do.	44.5	17.4	166.1	179.9
Canada	do.	20.3	16.1	127.0	119.5
Italy	do.	44.9	18.4	89.4	116.5
Belgium	do.	25.2	8.2	101.0	95.0
Denmark	do.	33.3	17.3	85.9	83.4
Spain	do.	14.1	7.2	47.5	75.6
United Kingdom	do.	5.8	5.9	14.1	65.5
Poland	do.	—	10.4	—	64.1
Others	do.	75.4	33.0	221.9	191.8
Total	do.	356.5	227.1	1,203.4	1,530.1
Cottonseed	do.	14.2	9.1	77.4	86.4
Linseed	do	2.2	—	28.7	49.9
Total cakes and meals[7]	do.	374.6	239.5	1,316.9	1,684.6

[1]Preliminary. [2]Less than 50,000 bushels. [3]Includes Title I, II, III, and IV of P.L. 480, except soybean and cottonseed oils contained in shortening under Title II. Excludes estimates of Title II exports of soybean and cottonseed oil not reported by Census. [4]Title III, P.L. 480. [5]October-December 1964 estimated by USDA, includes salad oil and oil in shortening. [6]Less than 50,000 pounds. [7]Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from Census records and USDA estimates.

Note: Countries indicated are ranked according to quantities taken in the current marketing year.

tially below those of March 1965. Exports for the 6-month period ending March 31, at nearly 1.7 million short tons, were 28 percent or 367,700 tons above those of the same period in 1964-65. More than half the net increase moved to West Germany and France.

United States Exports Less Cotton

Exports of U.S. cotton in the first 8 months (August-March) of 1965-66 amounted to 2,232,000 running bales, 19 percent below the 2,739,000 bales exported in the same period of the previous season.

Exports in March were 236,000 bales, compared with 254,000 in February and 584,000 in March 1965. During the current season, they are expected to total 3.2 million bales, compared with 4.1 million bales in 1964-65.

U.S. COTTON EXPORTS BY DESTINATION
[Running bales]

Destination	Year beginning August 1				
	Average			August-March	
	1955-59	1963	1964	1964	1965
	1,000 bales	*1,000 bales*	*1,000 bales*	*1,000 bales*	*1,000 bales*
Austria	33	23	11	8	1
Belgium-Luxembourg	160	176	80	61	36
Bulgaria	0	19	0	0	0
Denmark	17	16	6	5	4
Finland	22	10	11	10	6
France	360	380	184	147	86
Germany, West	475	401	217	183	74
Hungary	0	18	0	0	0
Italy	416	442	260	220	71
Netherlands	124	127	65	55	32
Norway	10	14	13	10	9
Poland & Danzig	85	132	67	66	42
Portugal	28	35	22	16	5
Spain	171	14	28	14	9
Sweden	75	88	58	44	52
Switzerland	64	95	66	56	31
United Kingdom	525	286	153	107	108
Yugoslavia	108	78	109	89	117
Other Europe	17	20	10	11	7
Total Europe	2,690	2,374	1,360	1,102	690
Australia	54	91	60	43	27
Canada	217	448	390	229	209
Chile	35	2	1	(1)	3
Colombia	33	14	1	(1)	56
Cuba	27	0	0	0	0
Ethiopia	4	9	4	(1)	14
Hong Kong	134	187	150	84	72
India	184	314	243	82	32
Indonesia	30	21	47	47	0
Iraq	0	20	0	0	0
Israel	16	26	23	13	5
Japan	1,154	1,301	990	666	550
Korea, Rep. of	205	313	261	156	194
Morocco	10	15	12	10	10
Pakistan	14	8	9	5	6
Philippines	64	140	75	50	57
South Africa	26	37	43	34	22
Taiwan (Formosa)	153	189	203	118	140
Thailand	4	39	55	21	42
Uruguay	15	(1)	0	0	0
Venezuela	2	12	6	5	5
Vietnam[2]	2	75	63	40	46
Other countries	27	27	64	34	52
Total	5,100	5,662	4,060	2,739	2,232

[1]Less than 500 bales. [2]Indochina prior to 1958; includes Laos and Cambodia.

France Sets Sugar Production Objective

The French Government has set the 1966-67 season sugar-production objective at 1.5 million metric tons (refined), compared with the previous season's objective of 1,570,000 tons. The 1965-66 crop amounted to about 2.1 million metric tons, refined basis. Sugar consumption in France is steadily increasing, and present estimates of 1966 consumption are placed at 1.6 million metric tons.

In the future, the sugar objective of Metropolitan France is to be readjusted, as soon as possible, to its previous level of 1,570,000 metric tons (refined). France maintains the lowest price for sugarbeets of any of the EEC countries and also has the lowest price for retail sugar.

U. S. Cocoa Bean Grind Up

Cocoa-bean grindings in the United States during the first quarter of 1966 amounted to 161.9 million pounds, up 4 percent over the corresponding period a year earlier.

Total grind in 1965 reached 627.5 million pounds, an increase of nearly 7 percent over 1964 grindings.

Denmark's Tobacco Imports Up Slightly

Denmark's duty-paid imports of unmanufactured tobacco in 1965 totaled 34.6 million pounds—a little above the 34.3 million imported in 1964.

Imports of U.S. tobaccos, at 16.3 million pounds, accounted for 47 percent of the total, compared with 49 percent in 1964. Other principal suppliers to the Danish market last year included Brazil 7.6 million pounds, Indonesia 4.3 million, Rhodesia-Zambia-Malawi 3.1 million, and Canada 0.8 million.

DANISH UNMANUFACTURED TOBACCO IMPORTS[1]

Origin	1963	1964	1965[2]
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
United States	15,393	16,670	16,334
Brazil	3,300	8,284	7,556
Indonesia	3,922	3,963	4,314
Rhodesia-Zambia-Malawi	2,909	3,274	3,115
Canada	164	126	783
Turkey	498	329	728
Dominican Republic	152	127	278
Cuba	201	172	230
Cameroon	158	373	222
Mexico	291	175	163
Greece	249	371	138
Others	318	431	711
Total	27,555	34,295	34,572

[1]Includes waste. [2]Preliminary.

Ireland Raises Tobacco Duty

To increase government revenues, Ireland raised its customs duty on tobacco imports by about 5 percent on March 16, 1966. The duty per pound on unstemmed leaf containing 10 percent or more moisture is now equal to U.S. $9.71; it was previously $9.23.

The increased duty caused a rise in cigarette prices of about 2.3 cents per pack of 20. The price adjustment is unlikely to have much effect on the level of leaf imports.

French Factories Use More Tobacco

Use of tobacco in French Monopoly factories last year totaled a record 184 million pounds—up 7 percent from 1964. However, use of both U.S. and domestic leaf declined.

U.S. leaf used in 1965 amounted to only 4.9 million pounds or 2.6 percent of the total. This compares with 5.3 million pounds or 3.1 percent of total usings in 1964.

French factories used 76.5 million pounds of domestic leaf in 1965—down from 80.3 million the previous year.

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Consumption of leaf from Franc Zone countries was 14.4 million, against 12 million in 1964.

Further gains were recorded in factory consumption of Latin American tobaccos last year. At 47.1 million pounds, use of leaf from the Latin American area—especially Brazil, Argentina, and Paraguay—was 8 percent above the 1964 total of 43.6 million pounds.

Oriental leaf increased its share of French tobacco use last year, rising to 21.3 million pounds from 18.9 million.

Leaf used from areas other than those mentioned above, including Rhodesia, Poland, Hungary, Yugoslavia, and the Philippines, totaled 19.9 million pounds in 1965—up sharply from 11.9 million in 1964.

Turkey Boosts Tobacco Exports

Turkey's exports of unmanufactured tobacco in 1965 were 150.9 million pounds—a big rise from the 125.6 million shipped out in 1964.

Larger shipments to the United States, Belgium-Luxembourg, Japan, and Czechoslovakia accounted for most of the gain. U.S. purchases, at 95.1 million pounds (63 percent of Turkey's total exports), were up 21 percent.

Average export prices per pound for leaf shipments to major destinations in 1965, in terms of U.S. equivalents, were as follows: the United States 63.9 cents, West Germany 54.3, Japan 60.5, Belgium-Luxembourg 42.9, Czechoslovakia 70.8, East Germany 76.1, and Poland 82.6.

TURKEY'S UNMANUFACTURED TOBACCO EXPORTS

Destination	1963	1964	1965
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
United States	52,108	78,614	95,124
Germany, West	10,752	15,659	13,913
Japan	2,597	1,171	6,325
Belgium-Luxembourg	2,114	1,927	4,149
Czechoslovakia	4,471	858	4,052
Germany, East	5,049	3,446	3,853
Poland	5,302	4,061	3,488
Hungary	686	3,578	2,932
Italy	—	2,216	2,650
Switzerland	3,739	3,053	2,449
UAR (Egypt)	—	—	1,975
Netherlands	657	988	1,521
Austria	1,160	1,190	1,499
Israel	1,005	1,292	1,448
Sweden	106	745	1,274
Soviet Union	2,385	866	1,146
France	1,466	—	1,082
Others	4,735	5,978	2,043
Total	98,332	125,642	150,923

Canadian Cigarette Output, Sales Increase

Cigarette output in Canada last year totaled 41.6 billion pieces—up 3.9 percent from 40.1 billion in 1964. Production of cigars dropped to 498 million pieces from 506 million. Output of cut tobacco, at 17.8 million pounds, was 5.2 percent below the 1964 level of 18.7 million. Output of plug and twist tobacco totaled 870,000 pounds, compared with 985,000 in 1964. Production of snuff, at 858,000 pounds, was slightly below the 864,000 produced in 1964.

Cigarette sales continued upward and amounted to 43 billion pieces, compared with 40.6 billion in 1964. Cigar sales, at 489 million pieces, were slightly below the 1964 high of 491 million; sales of the other tobacco products also fell.

Correction: April 18 issue of *Foreign Agriculture*, page 12, column 2, table should read:

U.S. IMPORTS OF SELECTED LIVESTOCK PRODUCTS

Commodity	February		Jan.-Feb.	
	1965	1966	1965	1966
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Wool (clean basis):				
Dutiable	10,213	16,995	19,140	35,952
Duty-free	2,576	6,986	7,797	16,101
Total wool	12,789	23,981	26,937	52,053
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Hides and skins:				
Cattle	11	20	36	78
Calf	35	14	63	57
Kip	59	39	89	68
Buffalo	50	31	67	66
Sheep and lamb	2,246	2,627	2,862	3,630
Goat and kid	963	794	1,340	1,924
Horse	24	24	36	49
Pig	137	117	180	298

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